

Pike Response
Production of National Intelligence

[Salutation appropriate to circumstances].

Your purpose, Mr. Chairman, is to assess the effectiveness of national intelligence. The thrust of your hearings is that intelligence has failed on occasion to predict specific events, therefore that the American ^{public} people is not getting its money's worth from the funds spent on intelligence. ~~While I acknowledge that such failures, and important ones, have occurred, I most respectfully submit, Mr. Chairman, that you are using the wrong measure for intelligence effectiveness. I hope to show here that the American ^{public} people is getting its money's worth, and that it has an intelligence system second to none.~~

I will make two major points this morning.

--First, the primary function of intelligence is ~~not simply to predict events, but to~~ provide the policymaker with the deepest possible understanding of the foreign environment in which he must pursue our national goals and protect our national interests. Here our record is excellent.

We have men who put
on overreaching expectations -
~~The~~ Surely, no one can reach beyond
on this earth, & no temporal characterizes
and attribute,

--Second, one important aspect of this task is ^{to} prevent the policy-maker from being taken by surprise by an event to which our interests require that he immediately respond. Please note that this is quite different from the prediction of such an event. Here our record is far from perfect, but still very good.

indeed. *But despite doing so, a few observations about the traditional--or pre-1939--view of intelligence should be made. About your handling of this subject in the past.*

was one of the spy seeking the enemy's war plans, of the single nugget of information which, if placed in the hands of the national leadership, could make the difference between peace and war. This concept is totally out of date. In today's complex world intelligence plays a continuous, major, and essential role in the formulation and conduct of foreign policy and in the foreign aspects of national economic policy, as well as in the equipping and deployment of our military forces.

Few would argue that there have been no fundamental changes in the world over the past three decades. So much has been written about these changes that many of the descriptive phrases have become cliches--the fragmentation of Stalin's monolithic communism, nuclear parity, an era of negotiation replacing an era of confrontation, the shift from a bipolar to a multipolar world, increased consciousness of the third world, the growth of the nuclear club,

international economic competition replacing the threat of nuclear war, the food-population problem, the growing power of the oil-rich nations, and international terrorism. Hackneyed as these expressions may be, they evoke the images of change that have occurred in the last quarter century.

Against this backdrop of a changing world, this nation needs the best information and judgments about what is going on abroad so that it can survive and prosper--and its intelligence structure should be in a position to satisfy this need. This nation needs a basic understanding of the factors and trends that affect developments in the world abroad. This must be based on research and analysis of information from all sources, not just from secret and official sources of information but also from the cornucopia of open literature and academic research available on much of the developed world. Much of this information is highly fragmentary and much of the academic research is highly specialized. [The task for intelligence is to analyze and integrate this material into assessments and judgments relevant to our nation's concerns abroad.]

Let me digress for a moment to illustrate the complexity of this process by tracing one thread through it. The potential effectiveness of Soviet ICBM forces against our defense installations is obviously a matter of vital national interest. The most important single

factor in assessing effectiveness is the accuracy of each type of ICBM. One factor in accuracy is the

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Answering the effectiveness question involves tracing a myriad of similar threads. It requires coordinating the work of hundreds, even thousands, of specialists in subjects as narrow as the method of suspending Soviet accelerometers. It requires aggregating their work into ever broader assessments, until finally a coherent answer to a crucial national question can be given.

From such assessments of the past and present must flow projections as far into the future as may be needed to permit policy formulation and planning for negotiation and action. And, a continuous flow of timely information and analyses is needed to update these assessments and projections and to alert our policy makers to new opportunities or potential crises so that they can plan accordingly.

Who are these policy makers? In the first instance they are the President and the other members of the National Security Council--the Vice President, the Secretary of State, and the Secretary of Defense. They include the

members of the Staff of the National Security Council and the appropriate staffs of the various members of the Council itself. They include the Secretary of the Treasury and other senior economic officers. Members of *Appropriate* certain committees of the Congress are ~~now being~~ informed of *various* foreign developments on a regular basis. These committees include Subcommittees of the Armed Services and Appropriations Committees of the Senate and the House, and the Foreign Relations Committee of the Senate and the International Affairs Committee of the House. Other Committees and *such as the SEC + the SCAF* Members of the Congress are provided with intelligence on foreign developments *within the areas of their* ~~in response to their specific~~ ~~requests.~~ *jurisdiction,*

The subject matter of intelligence has expanded from its older focus on foreign military capabilities to include foreign political dynamics, economic trends, scientific capabilities, and sociological pressures. Today's intelligence deals with foreign policy problems ranging from the law of the seas to the oil boycott, from defense policy to arms control.

Along with this expansion of the scope and role of intelligence has come an increase in reliance on information acquired by sophisticated technical devices on the one hand and on open literature on the other, there has thus been a relative decrease in reliance on traditional clandestine collection. Clandestine collection or espionage

nevertheless remains essential, but it is now reserved for the most important information which cannot be acquired by other means. It is focused largely on the major closed societies that could threaten our security, that do not have a free press, and that screen their military capabilities and much of their government process even from their own citizens.

The forms intelligence may take in giving the policy-maker the information he needs to do his job will vary. They range from the dissemination of single raw intelligence reports to complex analytical memoranda or national intelligence reports. They may include oral briefings or daily publications on world-wide developments. In fast-moving situations intelligence seeks to distill from the mass of fragmentary information that pours into Washington. From the process come coherent situation reports that enable the policy maker to keep track of and to anticipate events.

In meeting these needs the Intelligence Community must measure up to a number of demanding standards:

--If intelligence is to provide meaningful and timely support, its reporting and analysis must cover and integrate all facets of foreign developments--military, political, economic, scientific, and sociological.

--Intelligence must also be responsible--clear cut; sharp; neither alarmist nor complacent--if it is to serve as a reliable basis for decision.

--Effective intelligence must also avoid the bureaucratic penchant for ambiguities or delphic generalities which by anticipating all possible eventualities frustrate meaningful retrospective examination.

--Intelligence must be relevant. It must be responsive to the policy-maker's concerns, and it must go beyond and answer the questions he perhaps should have asked and did not.

--Finally, and most important, intelligence must be responsible. It must be independent of partisan preference or loyalty to preconceived judgments. It must never be distorted to support of budgetary desires.

Mr. Chairman, I would now like to illustrate in some detail the kinds of problems that we consider important and the kinds of substantive services that national intelligence provides. I hope these examples will make clear the breadth and complexity of our work and the close relationship it bears to the making of national policy. For convenience I will discuss these topics by

discipline--political, economic, and so forth--In fact, however, no topic is purely military or purely economic and we bring all the necessary disciplines to bear on each. What we seek is a synthesis of all the information, expertise, and wisdom available to the US government on whatever matter is at hand.

I will begin with the political field, because it is the most important. Virtually every matter abroad that concerns the US policy official stems ultimately from someone's political decision, whether it is to build a new weapons system or to raise the price of oil.

--This point comes clear in the work we do when the President is to meet another national leader; as for the President's meeting with Chairman Brezhnev in Vladivostok last November. Before the President left, our analysts prepared background papers on subjects likely to come up in the talks. Since the President was also visiting Japan and South Korea and the meeting was being held in the Soviet Far East, we concentrated on Soviet policy in that part of the world. As this was Mr. Ford's first meeting as President with Brezhnev, we reviewed Brezhnev's political position, the political-military position so important to strategic

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arms limitation discussions, and the general trends of the Soviet economy. But the major order of business at Vladivostok was to give impetus to the Salt negotiations. A projection of Soviet strategic missile programs as they might develop with a further SALT agreement played an important role in determining the ceilings agreed to at Vladivostok. Finally, we provided a kind of tourist's guide to Vladivostok--personalized to concentrate on the routes and buildings the President would see [and illustrated with some remarkable satellite photography. Classification?]

--Another political task is the continuing effort to make sense out of the obscure politics of closed societies, such as the upheavals in China since 1966. We cannot claim to have anticipated every event in this rapidly shifting struggle. Our analysts early recognized the magnitude of the struggle, however, and correctly anticipated the political demise of Mao's then heir-apparent, Liu Shao-chi. Years later CIA traced an increase in Chou En-lai's power and the gradual erosion of Lin Piao's strength. We recognized that obscure events in the autumn

of 1971 indicated that Lin's demise was at hand. Lateer still, our analysis enabled us to determine the significance of the anti-Confucius campaign in 1974 and to see a year in advance the general shape of the leadership alignments that emerged at the National People's Congress last January.

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--Some of our political and sociological work is much longer range. The world and its constituent societies are constantly changing; yet very often inertia keeps a particular political group in office or customary policies and practices in operation when support for them has in fact all but disappeared. Intelligence analysis tries to spot changes while they are in process by studying--through in-depth research and analysis--global issues, countries or particular groups. Thus, we may try to develop a profile of the next generation of Soviet rulers, men whose politically formative years came in the nationalist period of WW II rather than in the years of Stalin's purges. Or we may examine "the Arabs" and conclude that Egypt's bourgeois tradition seems to have survived Nasir's great effort to change it, that in Syria small town and rural people have destroyed and replaced a big-city merchant-landowner class, and that in Morocco extensive educational and structural changes are underway

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short that "the Arabs" covers many different groups, changing in different ways, at different rates. We may examine--through case studies--the characteristics of authoritarian regimes, analyze their strengths and weaknesses and the constraints on such regimes in developing democratic practices. In these and in other cases, the purpose is to present policy making elements with a means of seeing behind the facade they deal with and to alert them to future change.

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China and the USSR do not publish directories of their government or party officials. These officials are only identified in public announcements of their activities. We monitor these announcements systematically and publish periodically unclassified directories. One such is The Directory of Officials of the PRC. This Directory,

which is 671 pages long, is one of the most valuable reference aids available to analysts of the PRC in Peking, Hong Kong and Washington and is avidly sought by foreign service officers of other nations stationed in Peking.

It is for economic intelligence that the greatest increase in the demands placed upon us has come. Over the last decade international economics has become an important, perhaps the most important, consideration in our foreign policy and it is extremely important for our domestic economic policy as well. As you know, the energy crisis and the high price of meat and bread are due largely to events abroad.

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--Another major cause of concern to policymakers has been the huge petrodollar flows created by the quadrupling of oil prices in 1973-74. OPEC member states have a huge surplus to invest, primarily in Western Europe and the United States. Such investments--over \$40 billion this year alone--give them the ability to exert political and economic influence and to create disruption, either intentionally or inadvertently. Our analysts, using information

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--The success and failure of Soviet agriculture has an enormous impact on world grain markets, and, in turn, on the prices US consumers pay for food. Soviet crop shortfalls have accounted for most of the instability in world grain

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markets during the past several years; the United States, as the largest grain exporter, has been affected most. The fortunes of the Soviet farm sector are of key importance to the Brezhnev government, which has staked its prestige on giving the consumer more meat. Soviet secrecy makes crop forecasting a demanding intelligence problem. We use all the techniques available to the intelligence

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are used to evaluate crop developments in Eastern Europe and Communist China. To help determine likely global supply and demand of key crops, we also keep a watch on countries like India when the success or failure of the monsoon can have a major impact on world supplies.

--For a number of years CIA has followed East-West trade. We try to monitor Soviet and East European imports of equipment and technology that could contribute to economic and military capabilities. We report such activity principally through the export control structure of the US government, and we make important

inputs to other government agencies concerned with monitoring controls. As many as 200 export control cases are analyzed in CIA each month.

--We also assess the capability of the Soviets and East Europeans to finance imports from the West. Since this ability depends mainly on earnings from exports, we analyze Soviet and East European export capacity in detail. Considerable work has been done on their potential to export oil, gold, coal, metals, and other commodities. These studies help us estimate communist financial strength and ability to buy sophisticated Western technology and equipment.

Intelligence has had to take on all these political, economic, and sociological tasks without decreasing its attention to its more traditional military concerns. Indeed, the impact of technology upon warfare since 1945 has made these concerns vital to our survival. US intelligence must detect new weapons systems, for instance if we are to protect ourselves against them. Here too our record has been excellent.

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and costly. We are determined to learn things--vital to the survival of the United States--that the Soviet Union is determined to keep secret. Our opposite numbers have it much easier. The Soviets can and do acquire from a subscription to Aviation Week information which may take us several years and many millions to obtain.

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--Another extremely important aspect of our work in the military field is our responsibility under the Strategic Arms Limitation agreements. Our government entered into these agreements only when it was satisfied that they could be "verified", that is, that we could detect---through our own means---any significant violation of an agreement by the other party. This is clearly a job for intelligence. By monitoring Soviet performance in keeping these agreements intelligence is playing a new and quite unforeseen role, helping to keep the peace and restrain the arms race. (As it is also doing, I might add, in the Middle East).

--Another discipline is Scientific intelligence, which follows many topics besides those of direct military interest.

--We are of course interested [redacted]

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[redacted] and in potential epidemics or natural calamities that might require US action. In 1968, for instance, we alerted policy officials to an impending desert locust plague which was threatening

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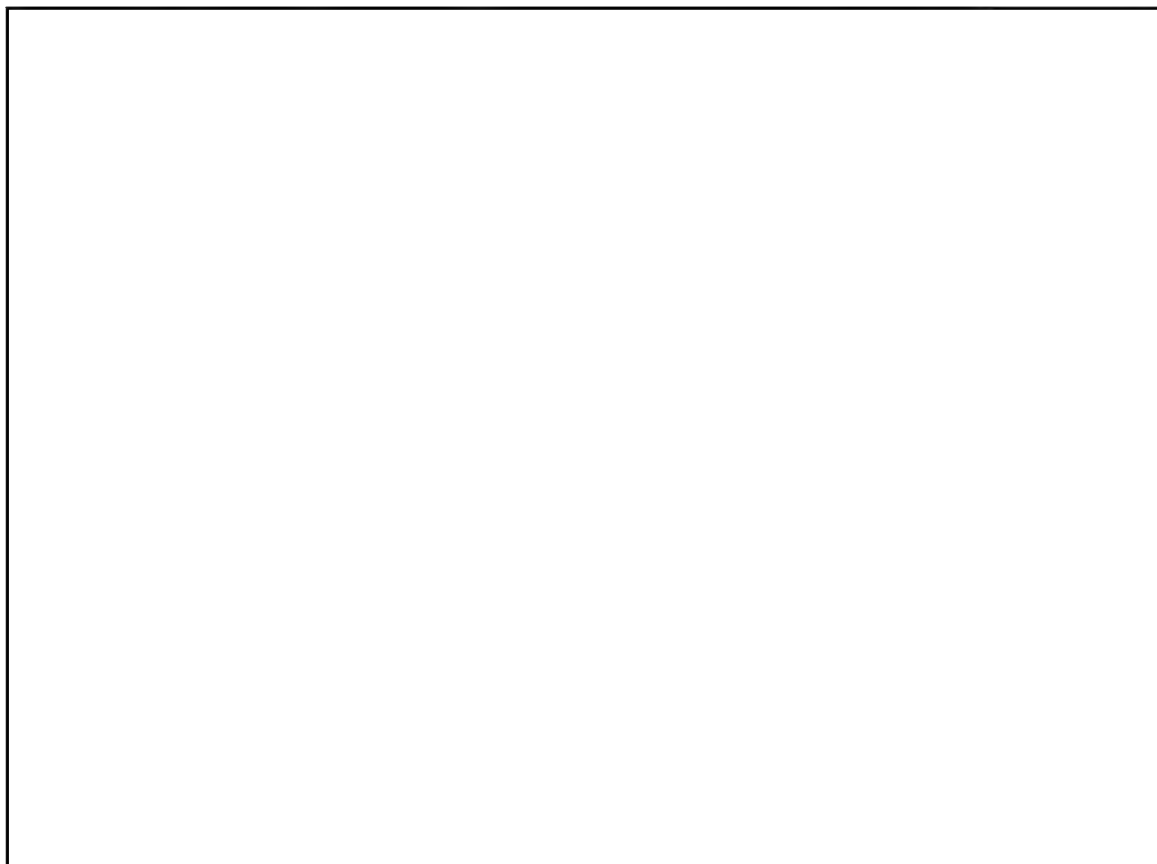
the crop lands of about 45 countries from the West coast of Africa to East Pakistan. Based on our assessment of the magnitude of the threat and the major areas of infestation, the US Air Force and the Departments of State and Agriculture developed a contingency assistance plan. A few months later, at the invitation of Saudi Arabia-- a key country in the anti-locust effort-- the plan was implemented. Spraying operations halted the threat of a major plague that could have caused massive crop destruction.

--Computer technology has long been an area of special concern. In 1972 we reported that the Soviets would experience serious installation and maintenance problems with their third-generation RYAD computer series. This estimate had important implications for US bilateral and multilateral export control policies and for our assessments of Soviet military capabilities. For the Soviets, the RYAD was the first series of computing machines designed to satisfy

the data processing requirements of an advanced command-and-control communications system. The problems that we forecast for the RYAD program were a major consideration in the policy decision to continue restraints on computer exports.

--More recently, our knowledge of the capabilities and shortcomings of Soviet technology allowed us to alert NASA to several potential dangers facing American astronauts selected to participate in the joint Apollo-Soyuz space mission. Based on these alerts, technological modifications were employed which helped bring that joint effort and a safe and successful conclusion.

An even less known part of our work is geographic intelligence. [Our geographers and cartographers have played an important part in the tortuous Arab-Israeli negotiations, one I cannot go into here. Sensitivity?] Two less sensitive examples, however, are these.



--The normalization of relations with the People's Republic of China (PRC) brought a surge of travel to that country by U. S. officials for whom the PRC is relatively a terra incognito. At the request of the Department of State, we are completing a series of 13 descriptive city briefs for inclusion in State's briefing packets for official travellers (including Members of Congress). A 14th brief

will provide advice on weather conditions across the country. The series represents a uniquely useful if undramatic resource, and we have with State's approval taken steps to make the series available to the public through the DOCEX Program of the Library of Congress.

All of the activities I have been discussing are positive ones. That is, we are developing new knowledge and insight. But we also perform a number of important but less obvious services that are essentially negative in character.

--One of these is the "contingency estimate":

What would country X do if the US did Y?

We did a series of these during the Vietnam war, and correctly estimated that the Soviets and Chinese would not intervene militarily in any significant way.

--Another is the negative estimate. These can be as useful to the policy official as any positive judgment. Notable examples were the judgments that there would not be a Sino-Soviet war in 1968-70 and that the North Vietnamese would not launch a major offensive in the South in 1973-74.

--Yet another kind of action is the disproving of allegations against the US. When the US was accused of bombing the North Vietnamese dike systems, we undertook a massive effort to examine, by aerial photography, every foot of major dike in the Red River Delta. We were thus able to demonstrate conclusively that no such campaign had been mounted, and that the dike system was threatened only by seasonal floods.

--Finally, there is the intelligence that provides a basis for action to prevent something. At least one foreign leader, no particular friend of the US, is alive today because CIA warned him of a plot against his life. A number of hijackings and other terrorist actions abroad have been thwarted because we were able to give timely and accurate intelligence to the local authorities. And we have been instrumental in bringing about the arrest of narcotics traffickers abroad and the seizure of major narcotics shipments.

I believe these examples make my point: national intelligence is far more than the prediction of specific events; it is an integral part of the process by which we shape national policy in today's complicated,

I would now like to turn to the problem of prediction. As I noted in my earlier remarks, we view our responsibility in this area as the prevention of surprise. For intelligence to make its primary goal the prediction of specific events would in fact be a disservice to the policy officer. For we would often be quite wrong and almost never exactly right, for a number of reasons that I will go into in a few minutes. Such a record would to say the least shake his confidence in our work, and destroy the usefulness of the very important service we can actually render.

That service is simply this. We should be able to prevent his being surprised by any event of major importance. When we cannot do this, we have failed. Let me acknowledge here that the Arab-Israeli War of 1973 was such a failure, our worst in many years. I will discuss the reasons for this later.

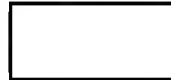
What can the policy officer reasonably expect? In essence, he can expect that we will put him in the context of events as they occur; that we will help him understand the dynamics of a situation; that we will lay out a range of possible outcomes, especially those that damage US interests or present an opportunity to the US; that we will seek by further collection and analysis to narrow this range, to reduce many possibilities to a few, and to rank them; and that we will of course warn him at the earliest possible time that the likelihood of a serious crisis is

is increasing. But we must not cry wolf too often. Sooner or later one is sure to be right that way, but the policy officer will have long since ceased to listen.

The India-Pakistan War of December 1971 is a good example of what intelligence at its best can do. We reported early in 1971 that the victory of the East Pakistanis in a national election would be unacceptable to the West and could provoke a West Pakistani military crackdown in the East. We warned of the Indian reaction to such a move, and pointed out that Pakistan's internal crisis might well become an international one. After the West Pakistanis cracked down in March we were able to assess the Indian reaction, and by June to warn that events were moving toward war. As the year progressed we described Indian military preparations and later the Indian military incursions in the East that eventually precipitated war. At no point did we forecast a specific event on a specific date, but our customers were fully aware of the imminence of war, of its causes, of the role of the Soviets and Chinese, of the high probability of Indian victory and East Pakistani independence, and of the international consequences that might flow from the weakness of the new state of Bangla Desh.

Of course, there are occasions, unfortunately rare, when we can do better, when we can say correctly that

event A will occur on date B, as with the



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Such occasions

are gratifying for the intelligence officer, but he must set his sights lower. For the fact is that events take place through human decisions, through the action and inter-action of human beings, and human beings are reluctant to behave in predictable ways.

The more we can draw a prediction from physical events or evidence, the more confident we can be. The movement of crack North Vietnamese reserve divisions to the DMZ in early 1972 we correctly interpreted as preparation for a major offensive. (Yet it still took a political decision, several weeks later then we expected it, before that offensive was launched.) When the Cambodian Communists began to interdict the Mekong last winter, we were able to predict--from physical evidence--that the government's position would begin to come apart in late March or early April; Phnom Penh fell on 17 April.

Because construction takes time we can project accurately from physical evidence Soviet ICBM strength as much as two years hence. Our longer range projections are necessarily less accurate. In fact, hindsight shows they were consistently too high in the early '60's--lacking hard evidence, we felt it only prudent to go high. They were too low in the late '60's because we

could see no military need Moscow would have for a larger force; we did not give enough weight to Moscow's psychological need for equality--or perhaps a little more--vis-a-vis the US, however militarily irrelevant the additional missiles might be. I mention these particular estimates to illustrate the pitfalls in this kind of forecasting, and to show that we do try to learn from our mistakes.

I have emphasized that events usually stem from political decisions, and these in turn from the personal relationships of men. Some men act rationally, some act by a logic that is not immediately apparent to others, and some act on occasion quite irrationally. Some are volatile, some steady. Some are persuadable, some stubborn. Some are eloquent persuaders, some, inarticulate followers. All are subject to extraneous influences. All have moods.

Judging the outcome, thus, when a single man or a group of men seeks to make a political decision, is a dicey business. And the more important that decision to them, the more intensely they feel and the less likely one can foresee how their deliberations will result. You know only too well how true this is for Congress; it is equally true in other political systems, closed or open, democratic or authoritarian.

I dwell on the human factor because it is central to my earlier statement that too much attempted prediction

is a disservice. Consider the many ways in which it can affect our forecasts:

--The Decision Not-yet-made. Nations often take contingency preparations for action, reserving until the last moment the final decision whether to act. When the Soviet leaders took alarm at the direction Czechoslovakia was heading in the summer of 1968, they mobilized. We reported in early August that they had assembled the forces necessary for military intervention. There followed a series of indecisive meetings among the Soviet leaders, and between them and the Czechs. Only a few hours before the invasion was launched on 22 August was the decision taken. (We understand in hindsight that the Politburo vote was close.) Thus we had warned the US government that preparations had been made, and that at least some of the Soviet leadership were in favor of intervention. But we could not say whether they would in fact intervene--they did not know themselves.

--The Problem of Clandestine Plotting. The coup d'etat is the hair shirt of the

intelligence officer. Successful coups are usually made by small cliques of military troop commanders, well-known to and loyal to one another, operating in total secrecy. Intelligence can virtually always identify a political situation that is ripe for a coup--discredited leadership, factionalism, disorder, economic disruption. It can usually identify interest groups that would profit from a coup. It can often identify likely plotters and sometimes penetrate their circle. But it can only rarely predict with confidence precisely who will act, how and when. Sometimes, of course, the plotters choose to tell us because they seek our support or acquiescence.

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---The Fortuitious Opportunity. Plotters may plot for years and never act, perhaps because they are inveterate plotters and not doers, perhaps because everyone--and especially the local security service--knows they are plotting, or perhaps because they can never find the right opportunity. On the other hand, the potential for action may fester for years unknown to anyone in one man's mind, and when an opportunity comes he will seize it. In 1958 an Iraqi brigade was being transferred from one frontier to another, passing through Baghdad. Because it was on active service it carried live ammunition, which Nuri Said wisely did not permit to units permanently stationed in the capital. The brigade commander, Col. Qasim, was such a man. He saw his opportunity and, acting entirely on the spur of the moment, brought Nuri Said's government down. There was, obviously, no intelligence warning.

---The self-defeating prediction. One can find on the intelligence record many warnings of events that never took place because the warning stimulated policy action to forestall them.

This is really intelligence doing its job. For instance, we warned in the summer of 1974 that Lon Nol's Cambodian government was going to be voted out of its United Nations seat. This triggered a major US diplomatic effort to change some votes and the seat was---for the moment--saved.

My point, Mr. Chairman is that we intelligence officers are also men, and fallible as all mortals. We assess the likely future actions of other men with caution and we hope without arrogance. For we lay no claim to being soothsayers, to knowing more about how foreign leaders will act than they do themselves. Our judgments of the future can only be probabilistic. We have made errors in the past and will make them in the future, but our record overall is extremely good.

And lastly, Mr. Chairman, I would like to discuss briefly the two matters on which this Committee has so far focused its hearings, Mr. Adams' charges and the Arab-Israeli War of 1973.

In Mr. Adams' case, I will not rake over the substantive details of a complicated argument some years past and now irrelevant. But Mr. Adams' charges reflect on our honor as well as on our performance, and it is that aspect that I wish to address.

Mr. Adams contends that the Intelligence Community seriously underestimated Communist strength in Vietnam, and that, when the Communists sought to raise its estimate, senior intelligence officers caved in to politically-motivated pressure from military commanders. I should note that Mr. Adams is a good deal more critical of CIA than CIA is of his work on Vietnam.

In fact, his work had a real impact. He became convinced that the estimates were too low and persuaded his colleagues in CIA of this fact. They did not give unquestioning acceptance to all of his methodologies or all of the numbers he derived from them, but they did give meaningful support to his position.

Moreover Mr. Adams' work was then carried forward into the Community arena. As a GS-12 (check?) he was able to achieve a hearing at senior levels, and ultimately to force the convening of a conference in Saigon to reconsider enemy strength figures. The conference resulted in figures higher than those proposed by military intelligence, but lower than those of CIA. But nevertheless he had succeeded in forcing the figure up.

Mr. Adams now represents this as a capitulation to the military a betrayal of the truth if not the nation. We see it as a compromise reached among men who have differing views on a matter on which no one has precise knowledge. When the House goes into conference with the Senate over a bill, neither side expects that the result will be totally to its satisfaction. Intelligence estimating in the face of the unknown is no different.

So CIA accepted figures that had been raised less than it believed desirable. At the same time it took

two further steps. It notified the White House that it believed the figures were still too low and it initiated new collection and analysis to back up its argument. With this ammunition CIA was able in subsequent estimates to raise the figures further.

This was a most notable achievement for a junior analyst. Had it stopped there Mr. Adams' future in CIA would have been bright. But unfortunately Mr. Adams would not be satisfied with his accomplishment. He insisted that his figures, and only his figures, were the correct ones, and impugned the motives of those who differed with him. (And let me say that to this day we do not know what the true numbers were at that time; it is doubtful that the enemy high command itself knew). This unwillingness to accept the unanimous judgment of his seniors and his peers set in motion the train of circumstances that brought him before you. Since that time Mr. Adams has sought by all possible means to be vindicated; that is, to have his figures for enemy strength in 1967 universally accepted. His single-minded pursuit of this goal ultimately destroyed his usefulness to the Agency. I deeply regret this. We have lost an intelligence officer of great potential, and much time has been spent by busy men on a long dead issue.

Let me now turn to the 1973 war. I have said that by any standard this was a failure for American intelligence, as it was for many other intelligence services and most particularly the Israeli. But we do not take comfort from having company. Rather we have exhaustively examined the record--and our souls--to see what went wrong and to ensure that we do better should there be a next time.

We believe our fundamental error was this. We had estimated--correctly--that if war broke out the Israelis would win, barring Soviet military intervention. We had estimated--correctly--that the Soviets would not intervene. We believed--incorrectly--that Sadat under these circumstances would not start a war; we would not have. But we failed to see clearly what Sadat evidently saw: that military stalemate or even defeat might be fashioned into political gains or even victory.

With this set of premises, our analysts were unwilling to interpret the evidence that came to them as indicative of an intent to initiate hostilities. Rather, they were worried over the action-reaction syndrome. Side A runs a maneuver. Side B is not sure it is a maneuver and concentrates some troops as a precaution. Side A, again as a precaution, responds by going on alert.

Side B, now thoroughly alarmed, mobilizes. Side A again matches the move. And in such a situation, with both armies at hair-trigger, one exchange of fire between patrols can precipitate war. It is in this context that our analysts interpreted the events of October 5 and 6. They were concerned that war was breaking out by inadvertence.

Until the final few hours, evidence of Arab intentions was sparse. I noted earlier that movement of forces to a frontier is a possible indicator of intent to go to war. In this case the Arab armies were on the frontier, and had been for months. There had been plans and yet more plans, exercises and alerts, alarms and excursions, movements of troops and aircraft, until the pattern had become blurred. Arab troops had only the very last minute preparations yet to make. In other words, the "noise level" was high.

What evidence did we have? We knew the Arab armies were in a state of high alert. They were doing a number of things that were unusual for them, although some were things we had long expected to see as training became more sophisticated. But against the noise level that had been established this was not necessarily significant. And no analyst likes to cry wolf.

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Finally, we had ambiguous evidence about the Soviets. Early in October, they became alarmed. (They then had network of advisers with the Egyptian forces and were in a position to sense last-minute preparations). They began rapidly to withdraw their people, a movement which we were able to identify for what it was only on October 5th. But we did not know the reason, and gave as much weight to the possibility that it indicated a further deterioration in Soviet-Egyptian relations as to the possibility that the Soviets knew something we did not.

I have said that the policy officer should expect from our analysis an understanding of the forces at work in a situation and an appreciation of the unpleasant possibilities therein. With this background, he should expect that we will highlight any evidence pointing to one of these possibilities. In September and October 1973 our analysis broke down, and we thus were blinded to a common denominator possibility in the fragments of evidence we had.

Had our mind-set been different, had we been better able to see the situation through Arab eyes,

we would still have believed an Arab attack unlikely. But we would have said something different to the policy officer--and to ourselves. "We put the odds against an Arab attack, but we by no means exclude the possibility". In that atmosphere we might, repeat might, have interpreted the fragments differently.

All this is now over the dam. We are taking our lumps for it and deserve them. And we have done everything we can think of to ensure that it does not happen again. We would welcome fresh, serious suggestions from any source.

This has been a gloomy recital. I would not like to leave this Committee, or the American people, with the impression that it is typical of our performance. So, for balance, I will close by listing some of the wars of the last twenty years for which we provided good intelligence warning.

- The Arab-Israeli Wars of 1955 (including the British-French intervention) and 1967, and the Israeli-Egyptian war of attrition in 1969-70.
- The Indo-Pakistani Wars of 1965 and 1971.
- The Sino-Indian hostilities of 1962.
- Communist reopening of guerilla war in South Vietnam in 1959-60.

- Direct North Vietnamese military intervention in 1964-65
- The Kurdish civil war of 1974-75
- The Egyptian military intervention in Yemen 1963-1967.
- Both Turkish military operations in Cyprus, July and August 1974.
- The Nigerian Civil War of 1967- _____ and the present war in Angola.
- The Salvador-Honduras War of 1969.

Again, Mr. Chairman, I think this makes my point.

The American people have a damn good intelligence service.